

# Exhibit I

# Exhibit 3

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UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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)  
SECURITIES AND EXCHANGE COMMISSION, )  
)  
Plaintiff, ) 19 Civ. 9439 (PKC)  
)  
v. )  
)  
TELEGRAM GROUP INC. and )  
TON ISSUER INC., )  
)  
Defendants. )  
-----x

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VIDEOTAPED DEPOSITION OF  
SHYAM PAREKH  
December 10, 2019

Taken at:

Skadden, Arps, Slate, Meagher & Flom (UK) LLP  
40 Bank Street  
Canary Wharf  
London, E14 5DS

Reported by:  
AILSA WILLIAMS,  
Certified Court Reporter  
JOB No. 191210MWC

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1 Q. Is that answer just based on your  
2 own experience and understanding as to the  
3 rationale behind that decision?

4 A. Yes.

5 Q. As opposed to any conversations you  
6 had with Mr. Hyman or anyone else at Telegram?

7 A. Yes. I would say these were  
8 sophisticated investors again, and in the couple  
9 of conversations where it came up, it was  
10 relatively noncontroversial.

11 Q. There was a second round of offering  
12 which also raised \$850 million, correct?

13 A. That is correct.

14 Q. And you were involved in contacting  
15 and discussing with potential and actual investors  
16 that second round as well, right?

17 A. Yes.

18 Q. And you are aware of the fact that  
19 the second round had no lock-up provision  
20 whatsoever, correct?

21 A. I am aware of that.

22 Q. Which meant, in simplistic terms,  
23 that once the initial purchasers in the second  
24 round received their Grams, they had no  
25 restrictions on their ability to dispose of those

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1           The third, just for completeness, I  
2           mentioned on the by and by, because many of my  
3           discussions were custody related, I did mention  
4           that my understanding was that a number of  
5           custodians also offer OTC brokerage, so not  
6           exchange but OTC brokerage solutions, that of  
7           course qualify. You have to speak to the  
8           custodian to understand what they expect they can  
9           and can't be able do.

10           Q. Again, with the understanding that,  
11           as you have testified, Ilya Perekopsky has been  
12           primarily dealing with exchange related questions,  
13           what is your understanding as to what  
14           arrangements, if any, Telegram has helped  
15           facilitate, in connection with the possible  
16           purchase or sale of Grams after launch of the TON  
17           Blockchain?

18           MR. DRYLEWSKI: Object to form.

19           A. I would say only the similar thing  
20           as we ended up doing with custodians, which is we  
21           introduced or he introduced on some of the chat  
22           groups a couple of exchanges, in the same way that  
23           I introduced a number of custodians to TON Labs  
24           and other third parties who had assisted Telegram  
25           with the testing, and therefore were familiar with

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1 the code, in order to sort of let those parties  
2 speak bilaterally, to help answer technical  
3 questions, because Telegram itself didn't have the  
4 resources and the bandwidth to work with either  
5 those exchanges or custodians.

6 Q. What efforts has Telegram undertaken  
7 to sign up vendors who would accept Grams as a  
8 form of payment for goods or services?

9 MR. DRYLEWSKI: Object to form.

10 A. I can't comment. I think you would  
11 have to ask Ilya.

12 Q. Are you aware of any vendors who  
13 have agreed as of today to accept Grams as a form  
14 of payment for any goods or services?

15 A. I am not aware.

16 Q. Have you seen in the news, for  
17 example, that certain law firms have agreed to  
18 accept Bitcoin in payment of legal bills?

19 A. I actually have not seen that.

20 MR. DRYLEWSKI: It's not Skadden.

21 MR. McGRATH: That was my next question  
22 and I don't think this requires the revealing of  
23 any attorney/client communications, but counsel  
24 will tell me otherwise. Has Skadden agreed to  
25 accept Grams in payment for legal --

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1 email from [REDACTED] to Shyam Parekh on  
2 Saturday, April 14, 2018.

3 MR. DRYLEWSKI: Please feel free to look  
4 over the entire document before you answer any  
5 questions.

6 A. Okay.

7 Q. Just sort of for reference along  
8 here, the second page of the document has an email  
9 dated April 14, 2018, also from [REDACTED] to  
10 Shyam. Do you see that? Do you recognize this  
11 communication?

12 A. Yes, I recognize the correspondence.

13 Q. Who is [REDACTED]?

14 A. He is with one of the investors,  
15 [REDACTED].

16 Q. On the second page of this document,  
17 second page of the email chain, he is attaching a  
18 document that has the wording "BNK to the  
19 future.com invest in the future of finance", and  
20 there is a reference to BF tokens on the second  
21 page. His email says:

22 "I just wanted to put on your radar, not  
23 sure if it is a scam or not, but someone is  
24 running an online syndicate to invest in TON."

25 Then he provides a link. Do you recall

205



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1 getting that email?

2 A. I do.

3 Q. It appears you asked him:

4 "Thanks, [REDACTED]. Will look into. Out  
5 of interest, how did you come across these guys  
6 and their website."

7 He responds: "It was just a cold email  
8 to my personal email address."

9 What if anything did you do to look into  
10 that information that you received?

11 MR. DRYLEWSKI: Objection to form. You  
12 are asking him personally or Telegram?

13 Q. You personally, if you did anything.  
14 If you didn't you can tell me.

15 A. So I think, to shortcut this, this  
16 entity, Bank to the Future, made an application  
17 for the second round, the stage A round. They  
18 filled in all the forms. They provided their  
19 various purchase agreements signed. KYC  
20 information, et cetera. We then received two  
21 communications regarding them. One was this, from  
22 [REDACTED], and prior to that was a notification from  
23 [REDACTED], who as you know also conducted a  
24 separate review of KYC information. So they took  
25 the files from us and from our KYC adviser and



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1 then reviewed them separately, and pointed out a  
2 similar thing as [REDACTED] did to me, namely that  
3 they seem to be operating essentially a syndicate  
4 on behalf of underlying purchasers. So to answer  
5 your question, I spoke to I believe it was [REDACTED]  
6 [REDACTED] and asked him what that was about. It  
7 then was established that he seemed to be under  
8 some sort of misunderstanding, and as a result we  
9 rejected them as a purchaser.

10 Q. When you say you rejected, you mean  
11 Telegram rejected Bank to the Future as a  
12 purchaser. Had they already entered into a  
13 purchase agreement?

14 A. They had signed on their side but it  
15 had not been executed.

16 Q. All right. My understanding was  
17 that the second round purchase agreements were  
18 signed before the end of March 2018, is that  
19 correct?

20 A. Two things. One, I don't know  
21 exactly the date when they signed but, for  
22 completeness, all the purchasers were essentially  
23 asked to send back a full pack, KYC information,  
24 rep letter and a signed purchase agreement. Then,  
25 if they were accepted, we would return executed

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1 attention to the first page of this document. The  
2 top email, which is from Nicolas de Bontin to you  
3 on November 17, 2018, copying some other people.  
4 He says:

5 "Great speaking with you earlier today.  
6 I have attached the deck highlighting the details  
7 of this potential partnership, followed by an  
8 overview of our custody platform."

9 I will just ask you to read through the  
10 rest of that email to refresh your recollection as  
11 to what was being discussed there. Let me know  
12 when you have finished.

13 A. I have read it, yes.

14 Q. Do you remember receiving this email  
15 from Mr. De Bontin?

16 A. Yes, I do.

17 Q. Do you remember the conversation you  
18 had with him referenced in this email?

19 A. Yes, I do.

20 Q. Can you describe generally what the  
21 topics of that conversation were?

22 A. At a high level, it was follow-up on  
23 the introduction from [REDACTED], alluding to the fact  
24 that others like [REDACTED] had made similar  
25 comments about wanting or needing a secure storage

212

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1 solution for their Grams, and hence referring  
2 again to Coinbase, as well as others, and  
3 therefore saying to Nick: "It would be  
4 interesting. It is still very early." It is  
5 still quite early at that stage. It was  
6 November 2018. It looked unlikely that we were  
7 going to meet the end of year deadline. So I made  
8 clear that this was a preliminary conversation,  
9 but nevertheless it would be interesting to hear  
10 what their capabilities were, in terms of custody,  
11 and what sort of information they would require in  
12 due course in order to be able to support Grams on  
13 their platform, by way of providing custody to  
14 investors.

15 Q. Do you know whether Coinbase is  
16 currently prepared to support Grams on their  
17 network?

18 MR. DRYLEWSKI: Objection to form.

19 A. The conversations resumed a few  
20 months ago, as we finally did approach the  
21 expected launch at the end of October, and they  
22 had a team, including a technical team, which they  
23 assigned to working on this. How chose they got  
24 or whether they in fact got to the finish line I  
25 can't say, for obvious reasons. The discussions

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1 broke off in mid-October.

2 Q. Why did they break off in  
3 mid-October? Because of the lawsuit?

4 A. Correct.

5 Q. Were they communicating with anyone  
6 other than yourself at Telegram regarding their  
7 efforts to support the Grams?

8 A. I believe someone else, not Nick,  
9 and Ilya may have had a conversation, but I was  
10 not party to that and I am afraid I don't remember  
11 who the name was. I think it was very conceptual  
12 because Ilya deferred further conversations to me  
13 and Nick.

14 Q. Sorry, Ilya deferred --

15 A. Further conversations with Coinbase  
16 to me, with this gentleman Nicolas de Bontin. If  
17 I can just add one thing before we move on from  
18 this document. Nick uses this phrase in the  
19 beginning, "potential partnership", and later on  
20 uses "partnership". I was at pains to stress to  
21 Nick that we, Telegram, doesn't, as a matter of  
22 course, and to my knowledge never has, nor is in  
23 the context of custody looking for partners, that  
24 the conversation was exploratory in order to  
25 understand their capabilities and that we were



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1 referred Ledger Ventures to TON Labs. I may have  
2 referred Coinbase. I am not sure whether I  
3 referred Coinbase to TON Labs or it is possible  
4 Coinbase, Ilya suggested refer to a different set  
5 of developers. Yes, those would be the three that  
6 I specifically remember; Coinbase, Ledger,  
7 Anchorage.

8 Q. Further up this email chain, you  
9 sent Michelle an email on August 6, 2019,  
10 basically checking in to see how she is getting on  
11 with Alexander and the TON Lab guys. Do you see  
12 that email?

13 A. Yes.

14 Q. She responds: "Thanks for checking  
15 in. Thanks for the referral to Atomico in the  
16 UK." What was that reference to Atomico?

17 A. Atomico was a purchaser in the  
18 presale round, first round, UK fund, and they had  
19 been -- this is all in your emails -- they had  
20 sent repeated requests for calls and emails to  
21 discuss this custody question, because they, under  
22 I assume some queries from their auditors, were  
23 trying to understand how are we going to find a  
24 secure way that satisfies our auditors as to how  
25 we are going to store these Grams, for potentially

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1 years? So partly at the encouragement of folks  
2 like Atomico, you know, I was very keen to see  
3 third parties develop custody solutions, so that  
4 my investors, quote/unquote "my investors" had  
5 options out there. After the call with Anchorage,  
6 when I had another approach from Atomico, in  
7 August, I said to Atomico: "Look, there is a few  
8 folks who seem to be working on custody  
9 solutions", and I gave them a few names, including  
10 Anchorage, which is obviously what she is  
11 referring to.

12 (Exhibit 12 marked for identification)

13 Q. I am handing you a document marked  
14 Exhibit 12. It is an email exchange chain. The  
15 first Bates stamp is SEC AL271 through 275. I  
16 will ask you to briefly review this email chain  
17 and I will start working from the back forward.

18 MR. DRYLEWSKI: Take your time to review  
19 the whole chain, as much of it as you need.

20 A. Okay. I have read it.

21 Q. I am going to focus your attention  
22 on the first two pages of the email chain, and  
23 particularly there is an email on page 1, in the  
24 middle of the page, July 23, 2019, from Michelle  
25 Lai at Anchorage, addressed to "Hi Oleg and team".



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1 partners is a reference to the first section, i.e.  
2 with the testing.

3 Q. She responds to you, thanking you,  
4 and then you have a following email where you say  
5 in part, this is on September 13, 2019:

6 "To clarify, TON Labs are an independent  
7 company who have been assisting Telegram with the  
8 testing. They are not a subsidiary or affiliate  
9 of Telegram. So if you want to have a discussion  
10 about your Grams it might be better for you and I  
11 to speak."

12 Why did you feel it necessary to make  
13 that clarification there?

14 A. Because I wanted them -- so they  
15 were looking clearly for a reference. I wanted  
16 Monica not to have any -- two things. One, if  
17 they were to provide that reference I wanted it to  
18 be clear to her that this was not something that  
19 was coming from Telegram. Number two, I was keen  
20 that she didn't disclose anything that ultimately  
21 she might consider sensitive regarding their own  
22 position and what they are thinking about it or  
23 doing about it, because obviously that is not  
24 relevant to TON Labs, as an independent company.

25 Q. Did anyone instruct you or tell you